

OCD-ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0137
Expires October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No
SHL:V-4949 BHL:NMNM105211
6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1 Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2 Name of Operator
MURCHISON OIL AND GAS

3a Address
110 WEST SHAW
CARLSBAD NEW MEXICO 88220

3b. Phone No (include area code)
1-575-628-3932

7 If Unit of CA/Agreement, Name and/or No

8 Well Name and No
PEQUENO MIKE BLU FEDERAL 5H

9 API Well No
30-015-38038

10 Field and Pool or Exploratory Area
COUNTY LINE TANK

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FNL & 300' FWL, UNIT D, SEC 2

11 County or Parish, State
EDDY COUNTY NEW MEXICO

12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other request to flare gas
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13 Describe Proposed or Completed Operation Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Murchison Oil And Gas would like to request permission to flare gas due to DCP Midstreams Liman Ranch Plant shut down April 22 thru May 4th.

Well's that will be flared are as follows

Pequeno Mike BLU Federal # 3-H, # 4-H, # 5-H Wells will put back to sales line when DCP plant is started back up.

JDade 05/24/12
Accepted for record
NMOCD

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

RECEIVED
APR 24 2012
NMOCD ARTESIA

APPROVED
APR 22 2012
s/ JD Whitlock Jr
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)

Greg Boans

Title Production Superintendent

Signature

Greg Boans

Date 04/13/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

Office

Title 18 U S C Section 1001 and Title 43 U S C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

April 10, 2012

GAS PRODUCERS TO DCP MIDSTREAM'S LINAM RANCH PLANT - EDDY CO., NM

A scheduled shutdown of DCP Midstream's ("DCP") Linam Ranch Plant will take place on April 24, 2012. The plant is being shut down for the annual turnaround to perform necessary maintenance work.

Producers will be responsible for shutting in the gas production at their wells on the attached list by 9:00 PM on Sunday, April 22nd. Assuming no delays are encountered, your well(s) are expected to start back up at 7:00 AM on Friday, May 4th. Producers **MUST** contact one of the people listed below before resuming gas production into our system.

Charles Joslin	Office: 575 391 5705	Cell: 575 802 5101
Kenneth Winn	Office: 575 394 5028	Cell: 575 802 5169
Polo Rendon	Office: 575 391 5704	Cell: 575 802 5192

ALL PRODUCTION FROM THE ATTACHED METERS MUST BE SHUT IN. DCP WILL BE UNABLE TO FLARE OR VENT GAS. ANY FLARING BY PRODUCERS MUST TAKE PLACE UPSTREAM OF DCP METERS.

All gas deliveries recorded during the shutdown period by any purchase meter requested to be shut-in, will be deducted from the total deliveries recorded in the gas settlement statements.

DCP apologizes for the inconvenience but the plant shutdown is necessary to perform the necessary maintenance.

Questions regarding this shutdown should be directed to one of the contacts at the numbers listed above.

Sincerely,

David A. Griesinger
Managing Director – SE New Mexico

BB/DAG:yd

Attachment

Greg Boans

From: Baeza, Claudia <CBaeza@dcpmidstream.com>
Sent: Wednesday, April 11, 2012 8:58 AM
To: Greg Boans
Subject: DCP: Linam Ranch Plant Shutdown
Attachments: Linam Ranch Plant Shutdown April2012.doc

Importance: High

Greg,

A scheduled shutdown of DCP Midstream's Linam Ranch Plant will take place for the annual turnaround to perform necessary maintenance work. The following wells will need to be shut in as per the attached letter. The list may or may not be complete list.

Meter #	Well Name	
726167-00	MURCHISON OIL & GAS INC.	Pequeno Mike federal #5-H

Thanks,
Claudia R. Baeza
432-620-4136

Pequeno Mike BLU Federal 5H

Murchison Oil and GAs

April 22, 2012

Condition of Approval to Flare Gas

1. Report all volumes on OGOR reports.
2. Comply with NTL-4A requirements
3. Subject to like approval from NMOCD
4. Flared volumes will still require payment of royalties
5. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5.
6. This approval does not authorize any additional surface disturbance.
7. Submit updated facility diagram as per Onshore Order #3.